

Office of Attorney General Terry Goddard



STATE OF ARIZONA
DEPARTMENT OF LAW
12 75 W. WASHINGTON STREET
PHOENIX, ARIZONA 85007-2926
WWW.AZAG.GOV

ANDREA M. ESQUER
PRESS SECRETARY
PHONE: (602) 542-8019
CELL PHONE: (602) 725-2200

FOR IMMEDIATE RELEASE

Attorney General's Office Settles with Day-Labor Company

(Phoenix, Ariz. – Nov. 18, 2005) Attorney General Terry Goddard today announced the settlement of a case with a day-labor company that charged illegal check-cashing fees. The company, Construction Staffing Services, operates in the downtown Phoenix area, using a roving shuttle to offer temporary employment to homeless people and others in the vicinity.

When workers were paid, the company charged a mandatory check-cashing fee of \$1 and change per paycheck. For example, if the worker earned \$42.75 for that day, the deduction would be \$1.75. The fee violates Arizona law, which prohibits the owner or operator of a labor pool from charging a day laborer for cashing a check issued by the labor pool.

Additionally, the written agreement between CSS and its employer clients restricted the clients from hiring a CSS employee for the first 90 days of an employee's assignment, which essentially prohibited day laborers from accepting permanent positions.

"Arizona workers are the winners in this settlement," Goddard said. "Day laborers rely on daily jobs to feed their families and taking advantage of these workers will not be tolerated. My Office will continue to aggressively enforce this statute."

Pursuant to the settlement, CSS is prohibited from:

- Charging a fee for cashing employee checks, either directly or indirectly.
- Restricting the right of a day laborer to accept a permanent position with a client employer.
- Charging any fee that brings an employee's gross pay below the State and Federal minimum wage.

If you believe you have been a victim of fraud, please contact the Arizona Attorney General's Office by visiting the Web site at www.azag.gov and filing an online complaint. Or you can call the Office at 602.542.5763 in Phoenix; 520.628.6504 in Tucson, or 1.800.352.8431 outside the metro areas. If you would like to file a complaint in person, the Attorney General's Office has 16 satellite offices throughout the state with volunteers available to help. Please visit the Web site for locations and hours of operation.

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